

Jeanette E. McPherson, Esq., NV Bar No. 5423
Schwartzter & McPherson Law Firm
2850 South Jones Blvd., Suite 1
Las Vegas, Nevada 89146-5308
Telephone: (702) 228-7590
Facsimile: (702) 892-0122
E-Mail: bkfilings@s-mlaw.com

Attorneys for Yvette Weinstein, Trustee

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re:

LIONEL SAWYER & COLLINS, LTD.,

Debtor

YVETTE WEINSTEIN, TRUSTEE,

Plaintiff,

v.

RORY REID,

Defendant.

Case No. BK-S-15-10462-MKN

Chapter 7

Adversary No.

**COMPLAINT FOR AVOIDANCE OF
PREFERENCE PAYMENTS AND
FRAUDULENT TRANSFERS**

Yvette Weinstein, Trustee (the "Trustee"), the Chapter 7 trustee in the above-captioned case, by and through her counsel, Schwartzter & McPherson Law Firm, hereby files this Complaint For Avoidance Of Preference Payments And Fraudulent Transfers and alleges and avers as follows:

PARTIES

1. Plaintiff Yvette Weinstein is the Chapter 7 Trustee of the bankruptcy estate of Lionel Sawyer & Collins, Ltd. (the "Debtor").

2. Upon information and belief, Defendant Rory Reid ("Defendant") is and was at all times relevant herein, a resident of Clark County, Nevada.

JURISDICTION AND VENUE

3. The Court has jurisdiction over this complaint pursuant to 28 U.S.C. §§ 1334 and 157 and 11 U.S.C. §§ 544, 547, 548, and 550 and NRS 112.180.

4. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(F) and (H).

5. Venue is proper pursuant to 28 U.S.C. § 1409.

GENERAL ALLEGATIONS

6. The Defendant was a shareholder of the Debtor and held stock of the Debtor.

7. The Defendant was a director of the Debtor.

8. The Defendant terminated his relationship with the Debtor.

9. Upon information and belief, the Defendant was a party to a stock purchase agreement whereby the Debtor agreed to purchase the stock of a shareholder due to the termination of the shareholder's employment.

10. The Debtor made transfers to the Defendant for the purchase of the Defendant's stock as follows:

<u>Check No./Date</u>	<u>Amount</u>	<u>Date Check Honored</u>
120007/July 3, 2014	\$26,400.00	July 15, 2014
120464/September 3, 2014	\$ 6,930.00	September 10, 2014
120727/October 6, 2014	\$ 3,788.89	November 12, 2014
120955/November 3, 2014	\$ 3,764.44	November 12, 2014
Total	\$40,883.33	

(collectively, the "Transfers"). True and correct copies of the Transfers are attached hereto as

Exhibit 1.

11. On January 30, 2015, the Debtor filed for relief under Chapter 7 of the Bankruptcy Code (the "Petition Date").

12. The Trustee and Defendant entered into a tolling agreement providing for an extension of time to file an action under 11 U.S.C. §§ 544, 547, 548, and 550 until on or before April 14, 2017.

FIRST CLAIM FOR RELIEF **(11 U.S.C. § 547)**

13. The Plaintiff repeats and realleges each and every allegation contained in the preceding paragraphs and incorporates the same as if fully set forth herein.

14. The Transfers were of an interest of the Debtor in property.

15. The Transfers were made to or for the benefit of a creditor, the Defendant.

1 16. The Transfers were made for or on account of an antecedent debt owed by the
2 Debtor before the Transfers were made.

3 17. The Transfers were made while the Debtor was insolvent.

4 18. The Transfers were made within one year of the Petition Date.

5 19. The Transfers were made to the Defendant who is an insider.

6 20. The Transfers enabled the Defendant to receive more than he would have received
7 if the Transfers had not been made and the Defendant had received payment of such debt to the
8 extent provided by the provisions of this title.

9 21. The Plaintiff is entitled to a money judgment against the Defendant in the amount
10 of the fair market value of the Transfers, or avoidance of the Transfers, in accordance with 11
11 U.S.C. §§ 547 and 550.

12 **SECOND CLAIM FOR RELIEF**
13 **(11 U.S.C. § 548(a)(1)(B))**

14 22. The Plaintiff repeats and realleges each and every allegation contained in the
15 preceding paragraphs and incorporates the same as if fully set forth herein.

16 23. The Transfers were of an interest of the Debtor in property.

17 24. The Transfers were made within two years before the Petition Date.

18 25. The Debtor had a creditor(s) as of the date of the Transfers.

19 26. The Debtor made the Transfers without receiving reasonably equivalent value in
20 exchange for the Transfers.

21 27. The Debtor was insolvent on the date that such Transfers were made, or became
22 insolvent as a result of such Transfers.

23 28. The Debtor was engaged in business or a transaction, or was about to engage in a
24 business or a transaction, for which any property remaining with the debtor was an unreasonably
25 small capital.

26 29. The Debtor intended to incur, or believed or reasonably should have believed that
27 the Debtor would incur, debts beyond his ability to pay as they became due or matured.

28 30. The Plaintiff is entitled to a money judgment against the Defendant in the amount

1 of the fair market value of the Transfers, or avoidance of the Transfers, in accordance with 11
2 U.S.C. §§ 548(a)(1)(B) and 550.

3 **THIRD CLAIM FOR RELIEF**
4 **(11 U.S.C. § 544; NRS 112.180(1)(b))**

5 31. The Plaintiff repeats and realleges each and every allegation contained in the
6 preceding paragraphs and incorporates the same as if fully set forth herein.

7 32. The Transfers were of an interest of the Debtor in property.

8 33. The Debtor had a creditor(s) as of the date of the Transfers.

9 34. The Transfers were made within four years of the Petition Date.

10 35. The Transfers were made by the Debtor without receiving a reasonably equivalent
11 value in exchange for the Transfers.

12 36. The Debtor was engaged or was about to engage in a business or a transaction for
13 which the remaining assets of the debtor were unreasonably small in relation to the business or
14 transaction.

15 37. The Debtor intended to incur, or believed or reasonably should have believed, that
16 the Debtor would incur debts beyond his or her ability to pay as they became due.

17 38. The Plaintiff is entitled to a money judgment against the Defendant in the amount
18 of the fair market value of the Transfers, or avoidance of the Transfers, in accordance with 11
19 U.S.C. §§ 544 and 550 and NRS 112.210.

20 **FOURTH CLAIM FOR RELIEF**
21 **(11 U.S.C. § 550)**

22 39. The Plaintiff repeats and realleges each and every allegation contained in the
23 preceding paragraphs and incorporates the same as if fully set forth herein.

24 40. Plaintiff is entitled to a judgment and order requiring and compelling Defendant to
25 return to the Plaintiff the amount of the Transfers.

26 WHEREFORE, the Plaintiff prays for judgment against the Defendant as follows:

27 1. For an order avoiding the Transfers;

28 2. For an award of damages in the fair market value or monetary sum of the Transfers;

1 3. For attorney's fees and costs of suit where appropriate;

2 4. For all other relief the Court deems just and proper.

3 DATED: April 13, 2017.

4 /s/ Jeanette E. McPherson

Jeanette E. McPherson, Esq.

Schwartz & McPherson Law Firm

2850 South Jones Blvd., Suite 1

Las Vegas, NV 89146

Attorneys for Yvette Weinstein, Chapter 7 Trustee

SCHWARTZ & MCPHERSON LAW FIRM


2850 South Jones Boulevard, Suite 1

Las Vegas, Nevada 89146-5308

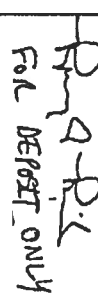
Tel: (702) 228-7590 • Fax: (702) 892-0122

EXHIBIT “1”

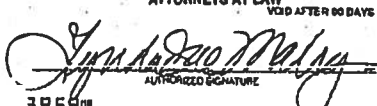
120007 - \$26,400.00 - 7/15/2014

LIONEL SAWYER & COLLINS ATTORNEYS AT LAW 300 S. FOURTH STREET, SUITE 1700 LAS VEGAS, NV 89101 (702) 383-8888		BANK OF NEVADA <small>A Division of Western Alliance Bank, Member FDIC.</small>		120007 <small>94-11/0220 713</small>
Twenty-Six Thousand Four Hundred and No/100 Dollars		DATE 7/3/2014	AMOUNT \$26,400.00	
PAY TO THE ORDER OF RORY J REID 183 Harvard Court Henderson, NV 89074	LIONEL SAWYER & COLLINS ATTORNEYS AT LAW  <small>AUTORIZED SIGNATURE</small>		AVS 3959	
@ 120007# @ 1224017781				

120007 - \$26,400.00 - 7/15/2014

See: 226 Batch: 932517 Date: 07/14/14		FOR DEPOSIT ONLY 
See: 80226 07/14/14 BAT: 932517 CC: 3300000724 WT: 81 LTPS: Dallas PT BC: Green Valley/Pueblo BC NV1-106		


120464 - \$6,930.00 - 9/10/2014

LIONEL SAWYER & COLLINS ATTORNEYS AT LAW 300 S. FOURTH STREET, SUITE 1700 LAS VEGAS, NV 89101 (702) 383-8689		BANK OF NEVADA A Member of Fidelity National Bank Member FDIC		120464 98-1778121 7238
Six Thousand Nine Hundred Thirty and No/100 Dollars		DATE	AMOUNT	Details on Back
		9/3/2014	\$6,930.00	
PAY TO THE ORDER OF	RORY J REID 183 Harvard Court Henderson, NV 89074	LIONEL SAWYER & COLLINS ATTORNEYS AT LAW VOID AFTER 90 DAYS		Security Features on Inside
		 AUTHORIZED SIGNATURE		
⑈ 120464 ⑈ ⑈ 1224017781⑈		3959⑈		

120464 - \$6,930.00 - 9/10/2014

PAY TO THE ORDER OF BANK OF AMERICA LAS VEGAS, NV 89101-6014 FOR DEPOSIT ONLY EIGHTY THREE LLC	
--	--

120727 - \$3,788.89 - 11/12/2014

LIONEL SAWYER & COLLINS ATTORNEYS AT LAW 300 S. FOURTH STREET, SUITE 1700 LAS VEGAS, NV 89101 (702) 683-8888		BANK OF NEVADA A Division of Wells Fargo Bank, Member FDIC		120727 94-1171214 1138
Three Thousand Seven Hundred Eighty-Eight and 89/100 Dollars				
DATE 10/8/2014		AMOUNT \$3,788.89		
PAY TO THE ORDER OF RORY J REID 183 Harvard Court Henderson, NV 89074	LIONEL SAWYER & COLLINS ATTORNEYS AT LAW VOID AFTER 90 DAYS  AUTHORIZED SIGNATURE			
⑈ 120727 ⑈ ⑈ 12240178 ⑈		13959 ⑈		

120727 - \$3,788.89 - 11/12/2014

PAY TO THE ORDER OF BANK OF AMERICA LAS VEGAS, NV 89101-2014 2702 120727 1138	
---	--

120955 - \$3,764.44 - 11/12/2014

LIONEL SAWYER & COLLINS ATTORNEYS AT LAW 300 S. FOURTH STREET, SUITE 1700 LAS VEGAS, NV 89101 (702) 383-8888		120955 94-177/1211 2133	
Three Thousand Seven Hundred Sixty-Four and 44/100 Dollars		DATE	AMOUNT
		11/3/2014	\$3,764.44
PAY TO THE ORDER OF	RORY J REID 183 Harvard Court Henderson, NV 89074	LIONEL SAWYER & COLLINS ATTORNEYS AT LAW VOID AFTER 90 DAYS <i>Lionel Sawyer</i> AUTHORIZED SIGNATURE	
# 120955# # 122401778#		3959#	

120955 - \$3,764.44 - 11/12/2014

PAY TO THE ORDER OF BANK OF AMERICA LAS VEGAS, NV 89101 FOR DEPOSIT ONLY EIGHTY THREE LLC	
---	--